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SUBJECT: UNION PENEYA: POTENTIAL POSTER CHILD FOR URIBE'S

"DEMOCRATIC SECURITY" POLICY

REF: BOGOTA 884

Summary

11. The voluntary return of 1,200 displaced residents to the small town of Union Peneya is a sign that President Uribe's "Democratic Security" policy is working. The COLAR thwarted a series of FARC attacks on the town and residents say they feel safe. GOC agencies are providing short-term relief, but local residents complain they need additional social and economic help. Local officials pledged to do more, and the U.S. is putting some basic infrastructure in place. Unemployment remains a problem and is unlikely to be solved without access to formal banking services/credit, clear title to land, and decent roads. End Summary.

Background: Life Under the FARC

- 12. Prior to 2004, La Union Peneya in Caqueta Department was a FARC town. Col. Luis Navarro, head of Civil Affairs of the Colombian Army (COLAR), said when the military retook Union Peneya in 2004 they found large caches of FARC currency, a sure sign of FARC control. Heriberto Sanchez, a Union Peneya resident and current health coordinator for the town, recalled that Union Peneya's 2,000 residents were relatively prosperous under FARC rule due to their involvement in coca cultivation. The town also supported cattle farming, dairy, agriculture, and about 150 small businesses. Sanchez said the FARC had controlled all business, deciding who could do what and how much they had to pay in "taxes" to the group.
- 13. Despite its small size, Union Peneya is strategically significant. About 50 kilometers east of Caqueta's capital Florencia, Union Peneya lies on an important "mobility corridor" used by the FARC to move men and equipment between the jungle to the south and the mountains to the north. In early January 2004, the Colombian Army launched a campaign to retake control of the area. Union Peneya was caught in the crossfire. Residents fled to Florencia and other nearby towns, where they struggled to make a living until their return in January 2007.

The Return

¶4. Union Peneya's citizens met frequently during their exile

to discuss returning home. Israel Ospina, a local community leader, said that before they returned residents asked the GOC to certify the area was safe, and received a positive answer. The COLAR placed a platoon-sized outpost on a ridge overlooking the town and Accion Social, a government social services agency, approved the town for resettlement. Ospina said the community also reached out to the FARC, and thought they had an understanding with the group that if they returned, then the FARC would leave them alone.

¶5. In late January 2007, 1,200 plus residents returned home after a three year absence (reftel). Although they had discussed the possibility of returning with the government, and had made the decision 10 days earlier, the community only gave the government one day's notice of the event. Sanchez said the residents thought the GOC might delay the return if given more notice. Still, Accion Social's Claudia Gallego thinks the return reflects President Uribe's "Democratic Security" policy, a sentiment echoed by Col. Navarro.

Rebuilding a Community

16. The GOC scrambled to assist the community following its return, helping with transportation and emergency supplies. The Colombian military (COLMIL) delivered food and other key goods within days. The GOC also held a ceremony in the first week of February to celebrate the return, attended by national and local officials. During the ceremony, the COLMIL offered medical and dental services, repaired clothing and shoes, gave haircuts, and even provided a musical band. The ceremony was briefly interrupted when the FARC detonated

a cylinder bomb less than a kilometer outside the town. No one was hurt. Residents speculate that the national publicity may have tempted the FARC to try and embarrass the GOC -- despite their reported pledge not to attack.

- 17. The GOC continues to help Union Peneya, but residents complain more needs to be done. The school and the community health center are both open. But the school is in bad shape and there are not enough teachers. The health center has the personnel it needs, but is short on equipment and supplies. The dental technician explained that the only treatment he can offer is pulling teeth. Basic infrastructure is also a problem. Electricity exists but is not reliable, and few homes have working bathrooms. The most immediate problem is that safe drinking water is non-existent. MILGRP will spend USD 75,000 to 100,000 to purchase and install a water pump, generator and water pipes, and will employ about 25 locals in the project.
- 18. Department medical, health and infrastructure representatives traveled to Union Peneya on April 20 to meet with the community. They pledged to bring in more teachers, repair the primary school, and improve the health center. The U.S is supporting GOC efforts, with MILGRP organizing a medical outreach program and providing medications and medical equipment for the health center.

Confidence in the Future Despite FARC Attacks

19. In February, the FARC launched several unsuccessful mortar attacks on Union Peneya and attempted to mine the surrounding area. There were no civilian casualties in the engagements and a vigorous COLAR defense killed two members of the FARC. During this period, the COLAR increased its deployment to about 175 soldiers, including an engineering platoon responsible for hardening their position. A 25-officer police force has also been established in the town. General Calderon, head of the 12th Brigade in Florencia, said Union Peneya is now a critical focus of his brigade. This will restrict the FARC's ability to move men and supplies through the area.

110. Residents welcome the GOC commitment to provide security in the area. Since mid-March, the FARC has not attempted additional attacks against the town. Residents say they feel secure, and are committed to staying. Sanchez said that while people have less money, they have something even more important -- the freedom to live their lives the way they want to. Perhaps the best indication of resident confidence is the fact that the population of Union Peneya is rising. Gallego said the population has climbed to 1,800, 90 per cent of its pre-2004 level.

Long-term Economic Needs

- 111. Only about 20 percent of Union Peneya's residents are working. The majority have temporary or part-time jobs with the government, or work in the small shops lining the town's main street. Stores sell everything from medicine to clothes to farming equipment. During the week they have few customers. But on the weekend, when Union Peneya hosts a regional market, business is brisker. Store owners said they have to double the price of goods from Florencia due to high transportation costs and low turnover. The owner of a pharmacy said his family relies more on his wife's small salary from working at the health clinic than on store revenues. The biggest buzz at the April 20 meeting came when state officials announced that they would hire locals for a series of small infrastructure projects.
- 112. Union Peneya's economic future depends on three interrelated needs: investment, land titles, and roads. Store owners explained they have no access to credit or banking services, so they must pay for inventories out of their own pockets. Reestablishing cattle farming, diary and agriculture will require access to capital. Residents say the biggest obstacle to credit is the absence of titled land that can be used as collateral. Only 30 of the 300 plus homes and 30 of the 80 small farms near Union Peneya have clear title. Residents pleaded for the government to

initiate an expedited land titling process. Finally, residents said they needed a better road to Florencia in order to get products to market and bring in supplies -- only 50 kilometers separates Florencia from Union Peneya, but the journey takes up to six hours.

113. Accion Social and the COLMIL recently established an interagency group (including business leaders, government agencies, and military and police officials) to address the town's long-term development and security needs. The group, called the "Gran Comite de Cooperacion," meets regularly and enjoys the support of local residents.

Drucker